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- 1. The best example is probably "IM-312" dated July 27, 1950 which deals with Communist capabilities and intentions with respect to Taiwan (see IM-312 folder in ORE records). In this case, despite concessions made against its better judgment by the Staff in order to gain assent from representatives of the Intelligence Advisory Committee, three Agency chiefs dissented on the draft to which their representatives had agreed.**

No 2 ✓

CONTROVERSIES WITHIN THE OFFICE OF REPORTS AND ESTIMATES, 1948-1950

CONTROVERSIES WITHIN THE OFFICE OF REPORTS AND ESTIMATES, 1948-1950

By the end of 1949, the Office of Reports and Estimates, even though it was but three years old, had an adequate staff in terms of numbers of people; had had more experience than had ever been acquired before in the production of integrated peacetime intelligence, and had published enough official papers of various types to furnish the basis for an evaluation of its progress. The principal evaluations concerned with intelligence production---the Dulles and to a lesser extent the Eberstadt Reports---were based on investigations by disinterested outsiders made in 1948. The findings of the Dulles Report at least, were adverse respecting the adequacy of the intelligence produced.

Similar evaluations, based on 1949 production as well as 1947 and 1948, were undertaken by employees of the Office of Reports and Estimates in 1949 and 1950. They too found fault with the production record of the Office, and arrived at conclusions and recommendations. These, however, are the conclusions of people to whom the problems of centralized intelligence were an ever-present, practical reality. They are interesting for that reason.

In order to understand these reports fully, it is necessary to consider the circumstances in which they were written.

I. CATEGORIES OF INTELLIGENCE PRODUCTION IN 1949

The production schedules being undertaken by the Office of Reports and Estimates in 1949 provided for much more than "strategic and national policy intelligence." Although genuine "National" Intelligence was undoubtedly being produced by the Office as it had been regularly since

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1. This should be read in connection with "The Central Intelligence Agency as an Instrument of Government," Chapter VIII, pp. 95-118 which discusses the broader aspects of this problem.

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1. "Soviet Foreign and Military Policy" ORE-1, 23 July 1946, Top Secret. See Historical Files, Safe No. 2165. All references by "Paper No." are to a series of papers in Historical Files, Safe No. 6364.

the publication of "ORE 1"¹ in July, 1946 (See Nos. and), the majority of publications would not fit this classification.

Summarized and simplified, the production program in this period was as follows:

1. Basic Intelligence By 1949, the principles for the National Intelligence Survey Program had been laid down and gained the agreement of all participating parties. Ambitious but realizable goals had been established. Some basic intelligence had been published. This program, however, had little direct effect upon the Office of Reports and Estimates as such.

2. Current Intelligence Publications and activities properly listed as Current Intelligence included:

- (a) The Daily Summary, a fixed commitment that constituted a priority demand on office time (See Nos. and).
- (b) The Weekly Summary, another unavoidable commitment. (See Nos. and)
- (c) Special Evaluations, (See No.) still available as a means of forwarding rush estimates, but neither frequent nor numerous, probably because their purpose could usually be served in the Weekly.
- (d) Weekly Oral Briefings at which representatives of the Office of Reports and Estimates discussed current events for the benefit of whatever audience might appear. That they served any important purpose was dubious. Preparations for such meetings, however, necessarily consumed

a certain amount of time for those appearing and for their assistants.

- (e) The Central Intelligence (Monthly) Review of the World Situation (See No.)
- (f) Periodical Publications of the Office Committee on International Communism (See No.)
- (g) "Inter-branch" Publications of a Current Nature (See below)

3. Staff Intelligence Under this term, as defined in 1949-1950 should be listed:

- (a) Situation Reports, relatively exhaustive strategic studies of countries and areas. (See No.)
- (b) Intelligence Memoranda, ranging in bulk from a half page to two hundred pages; in type from current to basic intelligence, and in object from genuinely national estimates to ephemeral answers to incidental questions. (See No.)
- (c) The "ORE" Special Estimates Series, intended to contain estimates of national character only, but by 1949 almost as various as the Intelligence Memoranda. (See No.)

4. Miscellaneous publications were:

- (a) Various official and semi-official memoranda for the internal use of Central Intelligence or for use by the Director in answering requests addressed to him.
- (b) The "Inter-branch" Publications, primarily a morale device designed to keep junior analysts busy and contented. Each regional and functional branch in the

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Office of Reports and Estimates had at least one publication of its own. There were Branch daily summaries, weekly summaries, monthly summaries, a proposed annual summary, and Branch estimates and reports of various types. These were unofficial but circulated outside the Agency. Their preparation consumed a considerable amount of time.¹

- (c) Productions of the Map Branch, a genuine service of common concern.

II. REASONS FOR UNEVENNESS OF PRODUCTION

A mere description of the media of publication current in 1949 and 1950 does not tell the whole story. Within each medium--and particularly the "ORE" and "IM" Series--were numerous individual items whose justification under any concept of "strategic and national policy intelligence," or even "services of common concern," would be hard to find. No publication was undertaken without a reason, of course, but the reasons were not necessarily consistent. Genuine "national" intelligence was there, but in a minority. It would not be correct in view of the record to say that the Office of Reports and Estimates, in the course of three years, had failed utterly to do what it was designed to do; a more accurate statement would be that it had done not only what was planned for it but much that was not planned and need not have been done. In consequence, the Office had unnecessarily dissipated its energies to the detriment of its main function.

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1. For an impression of how prolific this program became,
see Stout Report

There were many reasons why this had happened. Certain basic causes having to do with the consequences of adding intelligence research to the functions of the Central Intelligence Group are outlined elsewhere (See No. 1, pp. 5-11). The part played by overemphasis on current intelligence should be kept in mind (See Nos. and). It should also be taken into account that from July, 1946 onwards the pressure was strong on Central Intelligence to "produce"...to show results in concrete form whatever those results might be.

There was for instance General Wright's comment in a memorandum of January 13, 1947, in which he stated that he was continually asked: "When is CIG going to produce intelligence?" (See No.) In the face of such implied criticism, and at a time when the producing agency was very new and felt itself to be on trial, a certain anxiety to "produce" is understandable. The precedent was set early for acceptance rather than rejection of proposals for increasing the intelligence production of the Group. Admiral Souers had hesitated little in committing it to the Defense Project in 1946 (See No.). General Vandenberg seems to have accepted the Navy's proposal regarding Situation Reports with hesitation in 1947 (See No.). Later in the same year, the Interdepartmental Coordinating and Planning Staff had been willing to involve the Office of Reports and Estimates in a series of estimates regarding Mediterranean strategy before serious thought and planning had been given to the project. (See below)

If the disposition in echelons above the Office of Reports and Estimates was to yield to pressure, it cannot be surprising that the authorities within the Office were not resistant to it. Pressure was

exerted on these authorities from three directions: from needs created by current events; from official requests received from the outside; and from proposals made within the Office.

The first of these was the simplest. Inevitably, there were occasions that called for the best possible national intelligence estimates regardless of individual wishes and opinions. These, however, were naturally fewer than similar events that might and might not call for intelligence estimates of a national character and therefore required individual decision.

Outside pressure came usually in the form of official requests, sometimes related to important events and sometimes related to nothing more than current departmental operations. Some of them called for intelligence of a marginal nature. A request, for example, that Central Intelligence investigate the origin of a newspaper advertisement, as the Agency did in one case, might not seem exactly the function of strategic intelligence; but the fact that the request was believed to have been made by an important figure in the Joint Chiefs of Staff was enough to ensure that it would receive attention.¹ Any request believed to come from the White House was sure to receive immediate action. Requests came frequently from many sources, not all of them of equal importance, but there seemed not to be anyone in authority who would probe beneath any of them to make sure that they merited a reply. Nor was there anyone who took it upon himself to decline requests--no matter from what source--when they were clearly for a type of material not called for under the responsibilities of the Office of Reports and Estimates.

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1. See IM-171 "Comments on McGraw-Hill Ad. in Washington Post," 2 May, 1949, in Historical Files, Safe No. 8405.

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1. ORE 11-49, "The Caribbean Legion," 18 March 1949. See Historical Files, Safe No. 8465.
2. This point is further discussed in No. 1, "ORE Organizational Changes," pp. 24-26

Pressure from within the organization came chiefly from the working analysts. Most analysts sought recognition consciously or unconsciously; it would have been surprising if they had not. Each of them, furthermore, was likely to be so preoccupied with the affairs of a limited area that he was inclined to magnify their importance. The combination of these factors meant proposals by analysts for reports and estimates, not all of which were necessarily of great importance from the point of view of national policy. An example may be found in a 1949 estimate entitled "The Caribbean Legion."¹ Although a case could be built up to show that the "Legion" was of some importance to the stability of the Caribbean area, there was little reason to think that a national estimate on the subject was essential at the moment. So far as analysts' proposals were concerned, of course, the Office was not subject to external pressure but could make its own independent decisions. Yet although some of these proposals were turned down, and many were cancelled after they had been announced as in the process of production, there were few cases where projects proposed by analysts and brought forward with the endorsement of a Branch Chief, were not at least tentatively accepted.²

A. LIBERALIZATION OF THE "ORE" SERIES

In only four of the eleven publication channels maintained by the Office of Reports and Estimates in 1949 ("ORE" Series; "IM" Series, Special Evaluations, and Monthly Review) were estimates of a national character to be found. Of these four, however, only one (The "ORE's") actually fitted official definitions of "national" intelligence because the other three (with a very few exceptions) were published without the official concurrence or dissent of the Agencies of the Intelligence Advisory Committee.

All publications in the "ORE" Series (plus the Situation Reports which could not, however, qualify as national intelligence estimates) were "coordinated". But of the papers published in the "ORE" Series up to 1949 only about 25% could be considered to come within the requirements for a "national" estimate.¹ Meanwhile, this Series, though it had never been officially designated as such, undoubtedly was intended to be the exclusive vehicle for estimates of a national character. Therefore, the fact that it had been allowed to deviate drastically from this purpose was of importance from the point of view of criticism that was levelled at the Office of Reports and Estimates in 1949 and 1950.

There were, of course, many reasons for this development. Principal among them is probably the untimely revision and expansion of the Central Reports Staff that occurred in 1946. (See No. 1, pp. 5-11) Later incidents, unimportant in themselves, also acted as an influence in the direction of non-"national" intelligence. The establishment of the "Situation Report" series early in 1947 was certainly one. Another, more important than it might appear at first glance, was the request for "National Situation Reports" herein discussed.

On October 3, 1947, the chief of the Interdepartmental Coordinating and Planning Staff sent a memorandum to the Assistant Director for Reports and Estimates proposing that the Office undertake a new form of intelligence publication to be called a "National Situation Report." The memorandum in question is based on two from Admiral Souers (then Secretary of the National Security Council) to the National Security Council Staff, both of which were also received in the Office of Reports and Estimates presumably for information. In the first of these Souers asks for a

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1. The basis for this figure is in No. "Review of Estimates 1946-1949, pp.

"position paper" on Italy; the second requests similar papers on no less than twenty-six countries and colonies in the Mediterranean and Near East, including "all Mediterranean Islands". Souers' requests are apparently not for intelligence, but for proposals from the Staff on a Mediterranean policy. They include a suggested outline for the proposed papers.¹

The memorandum of October 3 to the Office of Reports and Estimates from the Planning Staff, with an outline similar to Souers', must have been based on the thought that Central Intelligence ought to produce parallel "position papers" in the form of intelligence. Probably the fact that the Office of Reports and Estimates was called on finally to write only eight "current situation reports" rather than twenty-six "national situation reports" (plus one for each island in the Mediterranean) reflects the final compromise that resulted from this episode.

The "National Situation Report" plan as proposed in its memorandum may have seemed feasible to the Coordinating and Planning Staff, but it was received with consternation in the producing office. The proposal was to change the name of the "Situation Report" series to "Brief Studies" and then to supplement these with "National Situation Reports" which were described as being much the same thing as "Situation Reports," except much shorter. These new papers were to be "written in the most concise manner possible" and to contain strategic conclusions, backed up by four sections to give these conclusions "credence". The whole report was not to exceed six pages.

This proposed condensation alone appeared unrealistic in view of the outline furnished by the Staff, which contained such topics as: "Internal

Developments affecting National Policy"; "Reaction of Nationals to Propaganda concerning Foreign Powers"; "Exports and Imports"; "Objectives of Foreign Policy vis-a-vis the US Directly or Indirectly"; "Mobilization Capabilities with Regard to Manpower, Equipment, and Logistic Support"; and "Identification of the Grand Strategy".

It would not be difficult to reconstruct the frame of mind in which these proposals were received in the Office of Reports and Estimates. Only eight months had passed since the Interdepartmental Coordinating and Planning Staff had, in effect, forced the Situation Report program upon the Office. After a painful process of readjustment this program was now being developed. It was hardly an appropriate time, from the point of view of the Office, to scrap the work already started in favor of a new, and even less realistic approach to the problem even though it came nearer to the plan originally favored by the Staff (See No.). That the Office of Reports and Estimates would be violently resistant to the new proposal was evident, but the Assistant Director apparently did not feel himself in position to refuse point blank. As on the first occasion (See No.), his idea instead seems to have been to circumvent the Coordinating and Planning Staff by counterproposals. The aim, in any case, was to make sure that the Office of Reports and Estimates would not be saddled with this new enormity.

With a view then to avoiding the new burden as diplomatically as possible, the Assistant Director for Reports and Estimates replied to the proposals of the Planning Staff on November 17 pointing out that the summaries which prefaced each of the "Situation Reports" already being published were actually the equivalent of what the Staff had described

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as "National Situation Reports." There seemed, therefore, to be no need for the new series. If, however, it were objected that these summaries did not take account of unforeseen events or special requests, the Office could always make use of the "ORE" Series, which was, according to the Assistant Director, "sufficiently flexible to take care of all types of subject matter."¹

The importance of this last point should not escape notice. It carried great weight in the mind of the Assistant Director who pressed his Chief of Staff Intelligence to assure him that there was no barrier to publication in the "ORE" Series of any type of material desired. It was on this point primarily that the Assistant Director rested his case. That the case must have been effective is demonstrated in the point that the "National Situation Reports" proposal was relegated to forgotten schemes. But it is conceivable that, in avoiding this particular pitfall, the Office of Reports and Estimates led itself into another.

It is true that even by October, 1947, the "ORE" Series had become "flexible" to the extent that there were already items in it that were not easily classifiable as "strategic and national policy intelligence." This new commitment on the part of the Assistant Director, however, tended to give a stamp of official approval to further "flexibility" and thus to insure that the "ORE" series would become a catch-all. Once the tendency had been confirmed, Central Intelligence had lost what might have become an official means of distinguishing between intelligence that came strictly under the "strategic and national policy" classification on the one hand, and miscellaneous work of varying utility on the other.

Meanwhile, this same exchange of memoranda had another and similar effect upon the "ORE" Series, in that it helped to fasten upon the Office the custom of producing a type of "estimate" usually entitled "Current Situation in _____."

In response to the Staff request of October 3, 1947, the Office of Reports and Estimates produced a series of eight reports in the form of a digest of the "situation" in each important Mediterranean country (See No. , pp.). These may have served to familiarize readers with current developments in the area and they offered strategic observations, but they did not isolate and analyze the principal Mediterranean problems then facing the National Security Council. The form which they took, however, was believed by the Office of Reports and Estimates to have emanated directly from the National Security Council. On this assumption, the Security Council, in its very first official request to Central Intelligence had wished for "estimates" in the "current situation" form. It seemed only prudent, therefore, to follow it. Consequently, the "current situation" type of paper, which was relatively easy to write, became a sort of favorite of Central Intelligence after October, 1947. It is a major criticism of the "Reitzel" Report (See below), implied also in the Dulles Report, that these papers do not constitute the type of estimate that Central Intelligence was designed to produce.

B. FAILURE TO REGULARIZE INTELLIGENCE PLANNING

In 1949, almost all proposals for estimates came to the Assistant Director, Reports and Estimates, from his own Branch analysts, from his

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"Staff Intelligence Group" or from outside Central Intelligence. Yet it was clear that the average regional specialist was not the person to select estimates to be published; that a non-producing staff group was not in an ideal position to make choices, and that outside agencies would often be seeking information pertinent to their own concerns of the moment rather than on the basis of national need.

Granted that all these sources and more should be used in order that nothing of importance should be overlooked, there was still need for discrimination among proposals, made by trained minds exclusively concerned with the problem of what needed, as well as what did not need, to be produced.

Nevertheless, only one attempt was made to solve the problem along these lines, and even this did not originate in a deliberate office-wide attempt to rationalize the production list. Rather, it was part of a plan developed by one division chief for the operation of his own office. Specifically, the chief of the "Staff Intelligence Group," after a year's analysis of the functions properly to be allocated to him, concluded that they consisted primarily of "initiation," review, and "coordination." He, therefore, proceeded to organize his office in accordance with these three divisions. It seemed altogether logical to list "initiation" among them, because if the Group were expected to stand contingently responsible for published reports and estimates, it must have a commensurately important part in selecting the topics eligible for publication.

As the plan was originally conceived, the "initiator" was to be concerned primarily with long-range planning. He would keep current on

international developments through all means that could be provided by the Agency, or from outside the Agency, and would keep them under continuous study. On the basis of this study, he would recommend not only estimates called for by current conditions, but also any that could be foreseen for the future.

In actual practice, however, the "initiator" was soon charged with the details of allocating all types of requests received in the Office of Reports and Estimates, and with the business of arranging inter-agency participation in whatever work might be planned. These details proved to be time-consuming and detracted from the more essential function.

Perhaps more important, the Assistant Director's acquiescence did not include official authorization. He not only did not allocate "initiation" to "Staff Intelligence" but he failed to deny the assertion of the Chief of the "Plans and Policies Staff" that "initiation" (which he called "programming") actually belonged to him. Hence, from the beginning, the "initiator" was in an ambiguous position. Insofar as he confined himself to bookkeeping, and to the non-substantive details of inter-agency negotiation, there was no complaint except to the extent that Plans and Policies might feel aggrieved; but in the actual matter of making long-range production plans his position was nearly untenable from lack of any visible authority. The best he could do was to make recommendations. Not only were these recommendations not necessarily accepted, but the regional branches, to which recommendations had to be submitted, resented even the fact of

suggestion. The Branches still nourished the belief that they could somehow severally plan their own programs of production without any general supervision.

Hence, the Office was, to say the least, in a fluid state as regards production planning in 1949. One office claimed to have the function; another exercised it; nine others were independently engaged in it, while the Assistant Director's office largely ignored it. It is not surprising, therefore, that the two committees about to be discussed found this an object of major concern.

III THE TWO COMMITTEES

Within the Office of Reports and Estimates, informal criticism regarding adequacy of intelligence production was heard constantly during 1947 and 1948. It found expression at last in the two committee reports usually referred to as the "Reitzel" and "Stout" Reports. To a degree, these resemble the Dulles Report itself. They too examine the list of intelligence production to date and find it wanting. They too examine the basic directives in relation to actual production. They too make (or imply) recommendations for change.

Certain significant and obvious differences, however, should be observed. Whereas the Dulles Committee was concerned only with the actual production record of Central Intelligence and with the provisions of the Defense Act and the supplementary directives of the National Security Council, the internal committees were more keenly aware of certain disparities between what ideally ought to be done by Central Intelligence and what could be done in fact. They knew, for

example, that inter-agency coordination was one thing on paper and quite another in practice. They knew that the law and the directives, no matter how clear and adequate they might be from an abstract legal standpoint, were not sufficient to govern the day-to-day operations of an office, new and without precedent, which was actually engaged in producing national intelligence. They were aware that whatever official documents might say, these day-to-day operations were governed in fact by miscellaneous rulings and practices, not all of them guided by any consistent set of principles.

The "Reitzel" and "Stout" committees were made up of people who were actually engaged in the process of producing intelligence and attempting to coordinate it with agency employees also engaged in the production of intelligence. Not only were the committee members aware of all the practical limitations upon production of theoretical "strategic and national policy intelligence," but they were equally aware of the particular limitations that existed at that particular time.

It was not difficult for them to perceive where the major faults lay. It was perfectly evident, first that a series of commitments in various forms had been accepted by Central Intelligence and the Office of Reports and Estimates not all of which bore clear reference to the main functions officially allocated to this office; and second, that there could be no improvement in the character of material produced under these commitments until or unless a means were devised to revise them or to give them authoritative interpretation. Given specific

instructions and the means of enforcing them, the strenuous effort which the Office of Reports and Estimates was undoubtedly making could be redirected toward coherent and acceptable ends. Otherwise the future offered little more than continuance of a situation generally admitted to be bad.

It was not hard for the committees to realize these things, but the committees had also to take certain intra-office realities into account. They realized that while some members of the office felt that drastic action was needed with respect to the production program as a whole, others were more complacent about it. Furthermore, the status quo, whatever its faults, could not be upset without bringing changes that would be unwelcome from individual points of view.

Hence the tendency to rationalize the status quo. The status quo was largely a matter of tacit understanding, which had been to some extent crystallized in various Office "Statements of Mission." As a reading will show, however, these statements were not characterized by exceptional clarity. They implied that control of estimates production (which they called "programming") should be allotted to the "Plans and Policies Staff."¹

Although in point of fact "The Plans and Policies Staff" took no part in "programming," one effect of its theoretical position was to repose ultimate authority for control of production in the Branch Chiefs, for (theoretically) the chiefs reviewed proposals submitted by themselves to "Plans and Policies." In other words, if they chose the Branch Chiefs could insist on their own selections of topics for national estimates. Although they did not often make use of this power they would not willingly surrender it. (See No. 1, pp.)

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1. See, for example, Appendixes C and D

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1. A copy of the "Reitael Report" is in Historical Collection, alphabetic file, safe #6364, drawer 3

The committees were aware of this. A blunt recommendation that branch authority over the "program" be legally transferred to an independent group might defeat its own purpose through the opposition it would arouse. The occasion, therefore, seemed to call for diplomacy. This is undoubtedly the chief reason why the two committee reports seem not to come quite to grips with problems which both recognize. It is also the reason why the Stout Report, which at least hints strongly at the direct solution, is encumbered by a minority dissent.

A. WORK OF THE "REITZEL COMMITTEE"

On July 19, 1949 a committee appointed by the Assistant Director for Reports and Estimates rendered a report entitled "Analysis of ONE Production, with Conclusions." The document was further described as a "First Report" of an "ad hoc production review subcommittee," because this first (exploratory) report was supposed to be followed by a second with recommendations, and because technically the group was a subcommittee under the Intelligence Production Board. (See No. 1, pp. 31-38) As events developed, no Second Report was ever attempted.

The publication of a report by this committee in July, 1949 would suggest that it had been inspired by the Dulles-Jackson Report on Central Intelligence which had been published in January. Actually, although there is a relationship between the two, this seems not to have been the case. The Reitzel committee originated more by chance than through a deliberate attempt to evaluate the production record of the Office of Reports and Estimates either in terms of the Dulles Report or as a study whose need was evident in any case.

The origins had to do with the controversy within the Office of Reports and Estimates over "programming," already referred to. "Programming," under the very general terms of "Operating Procedure No. 29" belonged to the Plans and Policies Staff which was organized on paper to do the work, but had left actual performance to the Staff Intelligence Group.¹ It was an obvious administrative enormity to have a function theoretically allocated to one group which was actually performed by another. The Deputy Assistant Director for Reports and Estimates, therefore, suggested informally in the spring of 1949 that the "programming" function be transferred officially from Plans and Policies to Staff Intelligence, thus solving the administrative problem. The ultimate consequence of his proposal was the appointment of an ad hoc committee to study the whole question.

Terms of reference for the committee were drawn up by the Chief of the Staff Intelligence Group who also suggested its membership. These recommendations were approved by the Assistant Director on May 4, 1949. The chairman of the committee was Mr. William Reitzel, one of three members of the "Global Survey Group" (See No. 1, pp. 19-20). His colleagues were chosen to represent the various area branches as well as the Staff Intelligence Group and the Plans and Policies Staff. The committee was directed to "review past and present ORE production for the purpose of appraising the degree of correspondence that exists between the ORE production effort and its mission." Its first task, therefore, was to discover what the "ORE Mission" was.

It is in analysis of this point the the "Reitzel" Report diverges from that produced by the Dulles-Jackson Committee. To the latter, the

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terms of the National Security Act of 1947 and the directives issued under it by the National Security Council seemed clear and adequate, because, from a legal standpoint they undoubtedly gave the Agency sufficient power to perform clearly defined functions. The Reitzel committee, however, was of necessity looking at these same documents from a quite different point of view. They may have granted sufficient legal power and they may have been clear so far as they went, but as related to the actual day-to-day operations of the Office of Reports and Estimates they were no more than broadly relevant. It was almost as if the Constitution of the United States existed apart from any recognized implementing legislation or decisions of the courts; or to state the case in the words of the Reitzel committee itself (p. 1): "this broadly stated CIA responsibility was not, however, given the more explicit definition that would have spelled out its relevant parts in the form of a mission for the Office of Reports and Estimates."

The terms of the third intelligence directive of the National Security Council may be taken as an example. This directive defines national intelligence as "integrated departmental intelligence that covers the broad aspects of national policy and national security, is of concern to more than one department...and transcends the exclusive competence of a single department." This statement may be clear and adequate so far as it goes, but the Office of Reports and Estimates had to apply it to particular cases. A 1948 paper entitled "Soviet¹ and Satellite Grain" might furnish a random example. The intention of this

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1. ONR 20-48 "Soviet and Satellite Grain", 2 August 1948, Confidential, 49 pp., in the Historical Collection, safe #2465

paper was to estimate current supplies and future harvests of grain in the Soviet Union and its Eastern European dependencies. Inasmuch as a country's ability to make war depends in large measure on its food supply, this was, or could have been, a paper of considerable importance in predicting Soviet intentions. Thus it might be said to "cover the broad aspects of national policy and national security." It was clearly of concern to more than one department, and it could be "coordinated" thus becoming "integrated departmental intelligence." Thus it fitted the definition in general terms; but it still left questions unanswered from the point of view of those concerned with the day-to-day review of estimates production. Such a paper, properly written, would be contributory to an estimate of Soviet intentions, but it would not itself be an estimate of Soviet intentions. If so, could it be considered to "cover broad aspects of national policy and national security?" In other words, was a paper which dealt only with part of the main subject a proper object of national intelligence as conceived in the official documents? Furthermore (as it happened) Central Intelligence in 1948 was in no position to estimate the Soviet grain harvest, as the grain paper itself shows. Should this be a factor in making a decision? Assuming that the paper by its general nature was acceptable, was it acceptable in the particular circumstances?

With reference to such a paper as this and to almost every paper that was planned by Central Intelligence in its early days, there were

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needed one of two things or a combination of both. Either there would have to be an official, detailed interpretation of the National Security Act and the directives of the Security Council which could be used to answer particular questions, or there would have to be a recognized authority which would make all decisions ad hoc, according to its own ad hoc but authoritative interpretations.

As matters stood, the Office of Reports and Estimates lacked both documentary and recognized ad hoc guidance. Hence the opening statement of the Reitsel Report (p. 1, section 1): "no adequate definition of an ORE Mission exists." Such a statement can be understood only in the context in which it was written. The Committee's second thesis (stated in Section 1B, p. 2) must be similarly understood: "this gap, which could have been bridged by spelling out a broad statement of a CIA mission in terms of a precise operational mission for ORE, has instead been filled by ad hoc judgments and commitments."

There could be no objection to an ad hoc judgment, as such, if it were based upon any consistent set of principles, but so far as the committee could determine, most of these ad hoc judgments had had their origin in individual views of a "CIA Mission" founded in little but individual preferences.

All this, the committee found to be the reason for the "patterns of ORE production" which had emerged. These, the committee analyzed as "(1) periodic recurrent production, (2) reports and estimates, and (3) production of intelligence support on a continuing basis for other

CIA offices and outside agencies, and the performance of services of common concern." (p. 2) These three, the committee examined with reference to the professional man hours consumed in each, leaving the implied criticism that these man hours were not altogether well employed.

The committee then proceeded to a discussion of what shaped the patterns of production that it had examined. In discussing these, it arrived at two general criticisms: the one that the office had tended to accept any and all external requests without critical examination; and the other, that in the production initiated by itself, "various and often contradictory ideas about the mission of ORE had prevailed." (p. 4)

With relation to current problems, the committee expressed itself as of the opinion that within the past year the emphasis in production had shifted "from the broad long-term type of problem to a narrowly defined short-term type, and from the predictive to the non-predictive type." At the same time, emphasis had shifted from "intelligence designed for high level use to papers primarily disseminated to a working level audience outside ORE." (p. 6)

The Reitzel Committee in its "first" report was not called upon to make recommendations. The Committee does, however, arrive at somewhat tentative conclusions. It did not think that the principal problems stated in the report could be solved by "a wholesale lopping off of all activities and categories of production that do not conform to a strict interpretation of the basic directives," but that an approach

to a solution could be made by recognizing and keeping separate two categories of intelligence: "the reporting and reviewing part of the intelligence process" and the "synthesizing and estimating part of the intelligence process." This having been done, the committee thought it would be possible to establish criteria for production, to make the necessary organizational changes, and to establish "the administrative controls needed to check further undirected evolution."

It is quite possible that in these two last statements (Section H, paragraphs 1 & 2, pp. 8-9) could be found the reason why no action was taken on the Reitzel report, and why the committee was tacitly discontinued. These two suggestions, while they are not recommendations, imply recommendations both of which would have been unacceptable to the regional branch organization of the Office of Reports and Estimates. For making "organizational changes" could easily mean changing the branch organization to the detriment of what the branches considered their interests, while "establishing administrative controls" could mean staff control over the branches, thus ending the autonomy they cherished.

Perhaps because no actual recommendations were made, the Reitzel report is free from a minority dissent such as appears in the Stout Report about to be discussed. The same groups, however, which found it necessary to enter a minority opinion on the Stout report were said to have dissented "in spirit" to that of the Reitzel Committee. In

other words, in spite of their acquiescence in the report as a whole, they continued to work in opposition to its principles. Whatever they may have considered the weaknesses of past and prospective production plans, they evidently did not find them serious enough to warrant¹ revision of the status quo.

B. WORK OF THE "STOUT COMMITTEE"

The appearance of a second committee report on substantially the same problem eight months after the publication of the first, might appear redundant. Organizational changes had taken place in the Office of Reports and Estimates in October, 1949 (See No. 1, pp. 28-47), however, which may have seemed to call for a general reexamination. Furthermore, by the spring of 1950 the Dulles-Jackson Report was over a year old, and its findings had been reflected in NSC 50. The Office had had time, in other words, to reflect on the criticism directed at² it and upon the validity of its own reply to those criticisms.

Meanwhile, in spite of the findings of the Reitzel Committee, nothing of importance had been done within the Office in the direction of regulating production. As can be seen from a comparison of the Stout Report's "Sample Schedule of Projects, 1 March 1950," (pp. 8-10) with a similar list which appears in the Reitzel Report (Appendix C, pp. 1-19) the material published in 1950 was of substantially the same³ character as that of 1948-1949.

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1. Orally from Paul A. Farel, Chief of Staff Intelligence Group at the time when the Weitzel Committee was formed, who alleged that the Chief, Plans and Policies threatened to enter a dissent to the report as stated but was prevailed upon to change his mind.
2. See A. B. Darling, History of Central Intelligence, Chapter VIII, pp. 108-114
3. A copy of the "Stout Report" is in the Historical Collection, alphabetic file, safe #6364, drawer 1

As there had been when the Reitzel Committee was formed, there were those in the Office of Reports and Estimates who were seriously concerned over the character of production and those who viewed it with more equanimity. Nothing having been done in response to the first committee's report, it might have been thought that the answer lay in the appointment of a second.

The official title of the new group was "Ad hoc Committee on a Comprehensive Production Plan." It was generally referred to by the name of its chairman, Hiram Stout, Chief of the "Northern" Branch. Its origin is to be found in the same office administrative problem that gave rise to the Reitzel Committee. Briefly stated, by March 1950 the former "Staff Intelligence" and "Current Intelligence" Groups of the Office of Reports and Estimates (See No. 1) had been merged into a single "Publications Division" which had continued all former activities of the Staff Intelligence Group including the selection, review, and coordination of intelligence publications. The Plans and Policies Staff, nevertheless, still insisted that the first of these ("programming") was a planning function and therefore its own responsibility. The Publications Division was still doing the actual "programming," and under the October reorganization the question again arose of the propriety of this arrangement. Again, an ad hoc committee was appointed to make an investigation into the problem as a whole.

The Stout Committee was, like the Reitzel Committee, technically an adjunct to the Intelligence (now Estimates) Production Board (See No. 1, pp. 44-47) which was now technically the highest authority in the office. Technically speaking, the committee was appointed by this Board. The

membership consisted of one each from all the principal components of the Office having a direct interest in the production of intelligence, plus a secretary representing the Plans and Policies Staff. By agreement within the Estimates Production Board, no member except the chairman was a branch chief. The members, however, were selected by branch chiefs and were either their deputies or an equivalent branch employee.

The committee's Terms of Reference dated January 11, 1950 directed it to: "...make recommendations....on a plan for the production of intelligence needed to support the policy-making bodies of the government. This plan should be broad in scope and should take into consideration the production capabilities of all the United States intelligence agencies. Such a plan will be coordinated with the IAC Agencies in fulfillment of the CIA Directive for coordination of intelligence planning." (p. 1)

This was a broad charter. It directed the Committee, in effect, to draw up an outline of what the Central Intelligence Agency should produce, which outline could then be coordinated with the other intelligence agencies of the government to effect a comprehensive understanding on the direction to be taken by the total intelligence production effort. This was, to say the least, a formidable task for one subcommittee of one office within one intelligence agency. Properly carried out, it might eventually result in the sort of specific directive sought by the Reitzel Committee. Even then, it promised to have little effect on the immediate production plans of the Office of Reports and Estimates.

The majority of the Stout Committee, however, tended to interpret its Terms of Reference in a different sense. This majority, instead of dealing with broad, inter-agency problems, turned directly to the

immediate problem facing the Office of Reports and Estimates and put forward, not a broad plan, but a practical proposal. It took the majority of the committee, in its "Summary of Conclusions", two and a half pages to state this proposal, but the substance of what it was driving at can be found on page 2, paragraph 2: "...responsibility.... should be vested in a single unit appropriately empowered, organized, and staffed to perform the function of intelligence production planning on an ORE-wide basis as distinct from a divisional basis."

Buttressing this conclusion are twenty pages of discussion in which the committee majority attempts to analyze "national intelligence" by dividing it into three categories; to set forth broad principles of "intelligence planning", and to propose means by which these principles could be put into practice in the office. This discussion is perhaps best described by a contemporary observer who wrote: "the report as a whole reflects the Babel of tongues, confusion of purposes, and default of doctrine which unfortunately is characteristic of the Office of Reports and Estimates. From the welter of words it does emerge, however, that two parties exist: (1) those who would do something to remedy the existing situation, (2) those who were opposed to any remedial action."¹

The confusion in the committee discussion, if any, is a natural result of the cleavage that existed in the Stout Committee from beginning to end. The definitions and expository paragraphs that make up so much of the report reflect an attempt at compromise of two divergent views where no real compromise was possible nor would be worth while if achieved. The majority may have hoped that by clothing its ideas in "a welter of words" it might be able to achieve agreement. That it did not do so is

demonstrated in Tab B of the report entitled "Dissent from Section L."

This dissent could also be termed a welter of words, but its effect is to state the principles always preferred by the regional branches and the Plans and Policies Staff. "It is believed," said the minority, "that a proper function of the Estimates Production Board is to insure that the several recommendations for production drawn up by its members in their respective fields be correlated and integrated into a consistent and balanced national intelligence production plan." As to the idea of an independent selection board recommended by the majority, the minority italicized its own statement that "a plan stemming from any group less representative or less individually expert than the chiefs of producing divisions would be considered inadequate by this minority." Once those individually expert chiefs had passed upon an intelligence production plan, it would, according to the minority, be "correlated and integrated" by a "staff." This staff, the minority observed pointedly, had been provided for under the terms of operating procedure No. 29 dated February 23, 1949. The staff referred to was, of course, "Plans and Policies."

The Stout Committee left a document that illustrates what happens when a group of people, whose background is practical experience rather than theoretical knowledge, comes to grips with fundamental questions regarding the nature and function of "National" Intelligence. The result suggests, if anything, that such definitions should not ideally be framed by such persons. Just as definitions in official directives sometimes suggest authors unfamiliar with homely realities, those of the Stout Committee may

reflect too intimate acquaintance with things as they happen to be at the moment.

The Stout Committee definition of what constitutes a national intelligence estimate, for instance, relates the whole process to "national security". But when the Committee attempts a definition of "national security", it describes not what security is, but what it is said to be affected by: "by situations or trends involving the power and power-potential of power-groupings, and by the stability of that leadership" (p. 2). With this definition as a guide, says the Stout Report, it should be possible to select those situations that should become the subjects of estimates.

On the subject of who should exercise judgment under these or other definitions, the majority takes a simple and direct approach, stating that "Planning intelligence production is the continuous process of deciding what intelligence to produce" (p. 1). This seems undeniable, and is used to support the conclusion that the power of selection is best vested in a "single unit", which must have behind it the authority to insist upon its selection (pp. 2-3). What is left out, however, is any reason why the Estimates Production Board or the "Plans and Policies" Staff could not serve as such a "unit". Manifest as the reasons were, the Committee hardly felt at liberty to enumerate them.

Sections I, II, and III of the Report serve more than anything else to illustrate how the usual difficulties of defining terms are increased when the definer's latitude in use of language is circumscribed, and when the definition must satisfy two or more groups with differing interests.

These sections are at great pains for example to show that the Report is concerned only with "estimative" intelligence, a simple and obvious fact. It was expedient, however, from a political standpoint to seem to be covering all types of intelligence in the Report rather than seem to give one any special priority.

The "analysis" contained in pages 2-6 appears to have been a concession to the minority concept of a "composite plan." It must have been evident to the majority that any "plan" based on this analysis would be so vague that it could not unduly hamper an independent selection unit (supposing one were authorized) in making intelligent choices. The labored discussion of "Major Power Groupings" seems to prove little unless it is that some areas are more important than others from the point of view of national security.

The "sample projects" (pp. 8-10) might be noted as an example of actual projects selected according to the system under critical discussion by the Committee. These were extracted from the current "ORE Status Report" and were presumably selected as the more promising among the various subjects listed. Evidently in an attempt to illustrate the plan outlined in Section II, they are arbitrarily grouped according to "power situations."¹

Section III is superfluous except in its attempt to define "National Intelligence Reports," and "National Intelligence Estimates." The latter of these definitions probably furnishes a fairly good composite, as of 1950, of thinking within the Office of Reports and Estimates on the subject of what a "national" estimate really is. It says that a "national" estimate should (1) point out to Policy where the danger spots are and what constitutes the danger, and (2) forecast what the situation as

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1. Of the 42 projects listed in the Stout Report, no more than seven were actually published. The rest, for one reason or another, were either cancelled by the Office of Research and Estimates, were rejected by the Office of National Estimates when it took over projects pending, or were produced in modified form much later by the Office of National Estimates or the Office of Research and Reports. This mortality was not necessarily in consequence of the approaching reorganization. Much the same would have happened in any case, simply because there had been so little discrimination in the choice of estimates. Subjects had been chosen or accepted which could not qualify as estimates or could not be produced by the Office of Research and Estimates. The result was that ideas which should have been rejected at once, were seriously listed as work in progress, and then rejected in draft form when their fallacies and absurdities had become too evident to be ignored.

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described will lead to. The "definition" then adds two admonitions which explain how an estimate should be framed rather than what it should be, namely that (a) a forecast should be unequivocal (i.e. an analyst should swallow his qualms and resist his natural temptation to surround his forecast with an elaborate protective armor of qualification) and (b) an estimate should state bare conclusions with a minimum of supporting data (i.e. the analyst should stifle his natural desire to include all the information at his disposal, however indicative it might be of his erudition). Irrelevant as these admonitions may be to absolute definitions, they are a normal outgrowth of practical thinking on the subject.

The report skipped quickly over the part of its instructions which had to do with harmonizing the total Intelligence Advisory Committee planning program. The suggestion that the Intelligence Advisory Committee be caused to "contribute," and Central Intelligence to produce estimates from these contributions may have been a good one, but it hardly scratched the surface of this problem as it had developed between Central Intelligence Agency and the other agencies as of this time. The rest of Section V is mostly one more plea for restrictions upon various extraneous activities that were consuming so much time in the Office of Reports and Estimates.

Manifestly it would have been useless to submit the Stout Report to the Estimates Production Board (to which it was formally addressed) where the same cleavage existed that had been reflected in the committee.

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Therefore, if any action were to be taken on the recommendations of the majority or the minority, it would clearly be up to the Assistant Director with the Director's approval. Whether or not such action was contemplated none was taken during the next three months. Thereafter, under the stress of the Korean war, the assistant director acted in accordance with some, at least, of the majority's principles when he tried to exercise the estimating function through his "Special Staff." (See No. 1, pp. 47-59)

APPENDIX A

NOTES ON INTERNAL "BRANCH" ORGANIZATION OF THE OFFICE OF
REPORTS AND ESTIMATES

Organization within the components of the Office of Reports and Estimates was never standardized. Within limits, each chief of a component organized and reorganized as he saw fit.

The fact that the "Branches" were at first organized with a view to producing current intelligence was a factor in perpetuating over-emphasis on current intelligence. The different types of "Branch" organization, aimed at slightly different ends, had an effect also upon the character of material produced by the Office as a whole. The apparent overemphasis on one area at the expense of another in the list of reports and estimates produced by the Office is partly explainable in accordance with the working arrangements within regional branches. The great volume of "inter-Branch" publication is a consequence of individual efforts to solve individual "Branch" problems.

More important, however, somewhat overelaborate attempts at constructing an individual "Branch" organization to take care of all foreseeable contingencies as they affected that branch alone, led to a certain unwieldiness that was a disadvantage in times of stress. The attached organizational chart of Eastern Europe/Union of Soviet Socialist Republics is an example. This organization is more elaborate than that used by most other branches, which were in general content to have each country or area covered by a department containing as many

persons as seemed required for the size and complexity of the region. For the world's most vital intelligence area, however, it was considered essential that all territory must be divided into two parts: "economic" and "political." What happened, as can be seen from the chart, was that the usual country "desks" existed as in any other "Branch" except that in this case they were under the "Political" department. There was also, however, an "economics" department, organized along functional lines, each functional unit presumably being concerned with every part of the Soviet empire. The Economics department necessarily overlapped the jurisdiction of the Political department. It also duplicated the work of the Economics Branch of the Office of Reports and Estimates, as can be seen from the enclosed charts of this Branch. It might be added, furthermore, that there was an independent Branch devoted to the study of transportation including that in the USSR. By 1949, Eastern Europe, Economics, and Transportation were all "producing" branches. All had to be primarily interested in Soviet Russia.

Briefly, the other "Branches" were organized somewhat as follows:

a. WESTERN EUROPE was put together strictly on country lines with one or more people to each country. The Branch was geared to the daily inventory of "current situations" and to the filling in of pre-arranged outlines having to do with matters of supposed intelligence importance.

b. MIDDLE EAST/AFRICA was less conspicuously organized than Western Europe. Its methods of procedure were more informal. It employed a minimum of compartmentalization and routine.

c. The NORTHERN BRANCH was so small that it was not greatly in need of organization. A department of the British Empire and a department of Scandinavia seemed to suffice.

d. LATIN AMERICA resembled Western Europe in satisfactory administrative organization. Latin America probably always worked in consciousness that it was considered the least vital area in the context of the world situation. Its eagerness to produce may explain the relatively large proportion of Latin American material published by the Office of Reports and Estimates.

e. FAR EAST/PACIFIC probably made the most conscientious effort to achieve a successful organization. There being enough people in the Branch with a background of Economics, no attempt was made to build up an economics "department" as in Eastern Europe/Union of Soviet Socialist Republics. The emphasis was rather upon a plan which would allow for the most efficient handling of the work to which the Branch was committed, and more especially on a means of establishing a coherent chain of command: in other words, a means by which mature judgment could be interposed between opinions of analysts and the delivery of the final product.